

## OFFICE OF THE GOVERNOR

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May 11, 2005

To the Honorable Speaker and Members, The House of Representatives of the State of Washington

Ladies and Gentlemen:

I am returning, without my approval as to Section 4, Engrossed Substitute House Bill No. 1064 entitled:

"AN ACT Relating to improving government performance and accountability."

This bill is an important step in strengthening accountability in state government agencies. Alongside the Government Management, Accountability, and Performance program (GMAP), the statewide performance audits contemplated in this bill usher in a new era of responsible state governance.

In discussion with our State Auditor, I have decided to veto Section 4 of this bill due to funding considerations. Section 4 establishes an assessment and grading program, and authorizes the citizen advisory board to contract each year for an assessment and grading of all agency management systems, as well as all agency technology, procurement, compliance monitoring, on-line contracting and internal audit systems. The performance assessment and grading program, if implemented in all agencies every year in a meaningful way, is likely to quickly exhaust the appropriated funding for performance audits.

In addition, with the passage of House Bill 1970, all agencies will be required to apply for an independent assessment of their management systems every three years. The assessments that would result will identify strengths and weaknesses in each agency's management systems, and will give agencies more actionable feedback on a regular basis. Section 4 of Engrossed Substitute House Bill No. 1064 therefore duplicates efforts that will be accomplished more cost-effectively under House Bill 1970.

For these reasons, I have vetoed Section 4 of Engrossed Substitute House Bill No. 1064.

With the exception of Section 4, Engrossed Substitute House Bill No. 1064 is approved.

Respectfully submitted,

Christine O. Gregoire Governor